

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

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In re : Chapter 9
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CITY OF DETROIT, MICHIGAN, : Case No. 13-53846
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Debtor. : Hon. Steven W. Rhodes
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**STIPULATION FOR AN ORDER AUTHORIZING CERTAIN
HOLDERS OF INDIRECT 36TH DISTRICT COURT CLAIMS TO
CHANGE THEIR VOTES ON THE CITY'S PLAN OF ADJUSTMENT**

The City of Detroit (the "City"), Local 917 and Local 3308 of the American Federation of State, County and Municipal Employees (together, the "AFSCME Locals"), Bobby Jones, Richard T. Weatherly, Roderick Holley and Carlton Carter (collectively, the "Individual Claimants" and, collectively with the City and the AFSCME Locals, the "Parties"), by and through their respective undersigned counsel, stipulate as follows:

1. On May 5, 2014, the City filed the *Fourth Amended Plan for the Adjustment of Debts of the City of Detroit* (Docket No. 4392) (as it has been and may be further modified, amended or supplemented, the "Plan"). Capitalized terms not otherwise defined herein have the meanings given to them in the Plan.

2. On March 11, 2014, the Court entered the *Order*
(I) Establishing Procedures for Solicitation and Tabulation of Votes to Accept or Reject Plan of Adjustment and (II) Approving Notice Procedures Related to Confirmation of the Plan of Adjustment (Docket No. 2984) (the "Solicitation Procedures Order").

3. The AFSCME Locals and the Individual Claimants filed the following documents (collectively, the "Plan Objections") objecting to the Plan:

- (a) *Local 3308 and Local 917 of the American Federation of State, County and Municipal Employees' Objection and Brief Regarding the Classification of 36th District Court in the City's Proposed Plan of Adjustment* (Docket No. 4552) filed by the AFSCME Locals on May 9, 2014;
- (b) *Carlton Carter, Bobby Jones, Roderick Holley & Richard T. Weatherly's Objection to the City of Detroit's Proposed Chapter 9 Plan* (Docket No. 4625) filed by the Individual Claimants on May 12, 2014;
- (c) *Carlton Carter, Bobby Jones, Roderick Holley & Richard T. Weatherly's Statement in Response to the Court's Order Regarding Identifying Legal Issues Relating to Confirmation* (Docket No. 5079) filed by the Individual Claimants on May 27, 2014; and
- (d) *AFSCME Local 3308 and 917's Supplemental Brief Supporting their Objection to the City's Proposed Plan of Adjustment* (Docket No. 5682) filed by the AFSCME Locals on June 30, 2014.

4. On June 9, 2014, the Court entered the *Fifth Amended Order Establishing Procedures, Deadlines and Hearing Dates Relating to Debtor's Plan*

of Adjustment (Docket No. 5259) (the "Scheduling Order"). The Scheduling Order established July 11, 2014 as the deadline for submitting ballots to vote on the Plan.

5. Pursuant to the Solicitation Procedures Order and the Scheduling Order, the AFSCME Locals and each of the Individual Claimants submitted timely ballots rejecting the Plan with respect to Class 14 (Other Unsecured Claims).

6. The City and the 36th District Court have reached an agreement (the "36th District Court Settlement") with the AFSCME Locals and the Individual Claimants regarding the treatment under the Plan of the claims filed by the AFSCME Locals and the Individual Claimants (collectively, the "Claims"), which resolves the Plan Objections. Pursuant to the 36th District Court Settlement, the Claims will be reclassified in the newly created Class 17 (Indirect 36th District Court Claims) under the Plan, and the AFSCME Locals and each of the Individual Claimants will be deemed to have voted its respective Claim in favor of the Plan in the applicable amounts established by the Order Regarding the Voting of Claims Relating to the 36th District Court (Docket No. 5905) (the "Prior Order").

7. On July 25, 2014, the City filed its Fifth Amended Chapter 9 Plan for the Adjustment of Debts of the City of Detroit (Docket No. 6257), which incorporates the 36th District Court Settlement.

8. As a result of the 36th District Court Settlement, the AFSCME Locals and each of the Individual Claimants (a) believes that the Plan should be approved and (b) desires to change its vote on account of its respective Claim rejecting the Plan to a vote accepting the Plan, as modified to include the 36th District Court Settlement.

9. Accordingly, the Parties have agreed, pursuant to Rule 3018(a) of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), that the Class 14 votes of the AFSCME Locals and each of the Individual Claimants rejecting the Plan shall be deemed to be timely and proper Class 17 votes accepting the Plan.

Dated: July 25, 2014

/s/ Robert D. Fetter

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ATTORNEYS FOR THE CITY

EXHIBIT 1

**UNITED STATES BANKRUPTCY COURT
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SOUTHERN DIVISION**

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In re : Chapter 9
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CITY OF DETROIT, MICHIGAN, : Case No. 13-53846
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**ORDER AUTHORIZING CERTAIN HOLDERS
OF INDIRECT 36TH DISTRICT COURT CLAIMS TO
CHANGE THEIR VOTES ON THE CITY'S PLAN OF ADJUSTMENT**

This matter came before the Court on the Stipulation for an Order Authorizing Certain Holders of Indirect 36th District Court Claims to Change Their Votes on the City's Plan of Adjustment (the "Stipulation"),¹ filed by the City of Detroit (the "City"), Local 917 and Local 3308 of the American Federation of State, County and Municipal Employees (together, the "AFSCME Locals"), Bobby Jones, Richard T. Weatherly, Roderick Holley and Carlton Carter (collectively, the "Individual Claimants"). The Court has reviewed the Stipulation and finds that (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334, (b) this is a core proceeding pursuant to 28 U.S.C. § 157(b) and (c) there is cause under Bankruptcy Rule 3018(a) to permit the AFSCME Locals and each of

¹ Capitalized terms not otherwise defined herein have the meanings given to them in the Stipulation.

the Individual Claimants to change their votes on the Plan as provided for in the Stipulation.

Accordingly, IT IS HEREBY ORDERED THAT:

1. The Stipulation is APPROVED.

2. Pursuant to Bankruptcy Rule 3018(a), the Class 14 votes of the

AFSCME Locals and each of the Individual Claimants rejecting the Plan shall be deemed to be timely and proper Class 17 votes accepting the Plan in the respective amounts established by the Prior Order.

CERTIFICATE OF SERVICE

I, Heather Lennox, hereby certify that the foregoing Stipulation for an Order Authorizing Certain Holders of Indirect 36th District Court Claims to Change Their Votes on the City's Plan of Adjustment, was filed and served via the Court's electronic case filing and noticing system on this 25th day of July, 2014.

/s/ Heather Lennox